

MINUTES OF SPECIAL MEETING
ILLINOIS GAMING BOARD
JULY 20, 1993
CHICAGO, ILLINOIS

A Special Meeting of the Illinois Gaming Board was held on July 20, 1993 in the Auditorium of the James R. Thompson Center, 100 West Randolph Street, Chicago, Illinois. The Special Meeting was held pursuant to a motion adopted by the Board on July 15, 1993 and notice was duly and timely given to each Board Member and to the general public in conformity with Illinois Revised Statutes 102, Paragraph 42.02.

The following Board Members were present: William J. Kunkle, Jr., Chairman; and Board Members J. Thomas Johnson, Gayle M. Pyatt and Robert F. Vickrey. Member Designate J. William Roberts was absent.

Additionally, Administrator Morton E. Friedman, Deputy Administrators Marcy L. Wolf, J. Thomas Hutchison and Joseph McQuaid; Chief Legal Counsel Donna B. More; members of the media and the general public were in attendance.

The meeting was called to order by the Chairman at 9:21 A.M.

The first order of business concerned a request from applicant Arch-View Casino Cruises, Inc. which sought the Board's stay from issuing a decision on pending applications for owner's licenses. The Administrator reviewed the application appeal history noting that the appellate court had refused, without comment, to grant a stay to the petitioner. The Chairman recognized Mr. Michael Ficaro, attorney for the applicant.

Mr. Ficaro requested the Board approve Arch-View's request for stay. He stated that Board action was necessary to meet Supreme Court rule regarding the appellate court ability to consider a stay.

Mr. Johnson moved the Board deny the request for stay received from petitioner Arch-View Casino Cruises, Inc. Ms. Pyatt seconded the motion. The Chairman called for the yeas and nays by oral roll call, to wit:

MR. JOHNSON: YES
MS. PYATT: YES
MR. VICKREY: YES
MR. CHAIRMAN: YES

The motion was approved 4-0.

The next order of business concerned the renewal of Supplier's Licenses.

Deputy Administrator Hutchison reported that staff had reviewed materials submitted by four suppliers seeking license renewal and that staff recommended Board approval. Ms. Pyatt asked whether any of the licensees had issues pending before the Board. Mr. Friedman responded that Paul-Son Dice and Card had a pending issue, but the nature of the issue should not be an impediment to license renewal.

Mr. Vickrey moved that the request for renewal of Supplier's License be approved for:

Kilmartin Industries, Inc.

International Gaming Technologies, Inc.
Universal Distributing of Nevada, Inc.
Paul-Son Dice and Card, Inc.

Mr. Johnson seconded the motion. The Chairman called for the yeas and nays by oral roll call, to wit:

MR. JOHNSON: YES
MS. PYATT: YES
MR. VICKREY: YES
MR. CHAIRMAN: YES

The motion was approved 4-0.

Mr. Johnson moved that pursuant to Illinois Revised Statutes 102, Paragraph 42 (g), (h) and (k) that the Board retire to Closed Session to review investigative reports related to occupational license applicants, reports and recommendations concerning Owner's Licenses and reports and recommendations of Administrative Hearings Officers. Ms. Pyatt seconded the motion. The Chairman called for the yeas and nays by voice vote.

The motion was approved unanimously by voice vote and the Board retired to Closed Session at 9:30 A.M.

The Illinois Gaming Board resumed its Open Session at 10:54 A.M.

The first order of business concerned the issuance of Owner's Licenses.

Ms. Pyatt moved that the applications received from Hollywood Casino - Aurora and Casino Queen, Inc. be granted an Owner's License. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays by oral roll call, to wit:

MR. JOHNSON: YES
MS. PYATT: YES
MR. VICKREY: YES
MR. CHAIRMAN: YES

The motion was approved unanimously 4-0.

The Chairman noted that consideration of issuing an Owner's License to applicant Harrah's Casino Cruises Joliet had been postponed.

The next order of business concerned Occupational Licenses levels 2 and 3. The Administrator presented a report of recommended approvals and denials. The recommendations included:

APPROVAL	level 2	level 3
Alton Belle	64	65
Par-A-Dice	50	111
Casino Rock Island	63	152
Empress	134	185
Silver Eagle	74	103
Player's	204	311

Casino Queen	88	171
Harrah's	204	176

DENIAL

Casino Rock Island		6
Empress	3	5
Player's		1

Mr. Johnson moved the Board adopt the staff report and recommendations. Ms. Pyatt seconded the motion. The Chairman called for the yeas and nays by voice vote.

The motion was approved unanimously by voice vote.

The next order of business concerned a written request received from State Treasurer Patrick Quinn demanding immediate promulgation of rules relative to ethics.

Mr. Johnson moved to defer action on the request of the State Treasurer. Mr. Vickrey seconded the motion.

In discussion, Mr. Johnson noted that ethics legislation was pending before the Illinois General Assembly and that the Board should not pre-empt the legislature's authority to establish public policy. There being no further discussion, the Chairman called for the yeas and nays by oral roll call, to wit:

MR. JOHNSON:	YES
MS. PYATT:	YES
MR. VICKREY:	YES
MR. CHAIRMAN:	YES

The motion was approved 4-0.

The next item of business concerned decisions of the Administrative Law Judge with respect to appeals to Board denials of occupational license applicants.

Mr. Johnson moved that the Board adopt the Report of the Administrative Law Judge along with the findings of fact and conclusions of law and denies an occupational license to James Frye. Ms. Pyatt seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

Mr. Johnson moved that the Board adopt the finding of the Administrative Law Judge with respect to the appeal of Jermaine Harris; that the appeal was not filed timely as required by statute and that the application for an occupational license be denied. Ms. Pyatt seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

Mr. Johnson moved that the Board adopt the Report of the Administrative Law Judge dismissing the requests for hearing received from Maurice Sterner and

Charles Meeks, for want of prosecution, and that the initial denial for an occupational licenses become the final order of the Board. Ms. Pyatt seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

The next order of business concerned a request for leave to withdraw a request for hearing.

Ms. Pyatt moved that the request for leave to withdraw a request for administrative hearing received from applicant William Krug, Jr. be granted. Mr. Johnson seconded the motion. The Chairman called for the yeas and nays.

Leave was granted unanimously by voice vote.

The next order of business concerned the statutory interpretation of the Riverboat Gambling Act as it related to the placement of a second riverboat in a location other than a licensee's home docksite. The Chairman recognized Mr. Gregory Perry representing JoDaviess Joint Venture.

Mr. Perry requested the Board favorably consider allowing licensees to split licenses. He noted that JDJV wished to place their second vessel in the City of Peru in LaSalle County. He stated that the statute clearly authorized the holder of an owner's license to locate 1200 participants notwithstanding location of the boat because the Board's powers allowed licensing owners but limited the Board to approving the location of the boat. Mr. Perry said the Board should approve the request to expand economic development and tourism in other Illinois communities.

Mr. Michael Ficaro, attorney for Rock Island Boatworks appeared, and requested favorable consideration to allow license holders to operated two vessels from separate docksites. He stated that the Board had established a precedent to split licenses when it approved the inter-governmental agreement between the cities of East Peoria and Peoria. He noted that part of that agreement allowed a second gaming vessel to dock permanently in Peoria. Mr. Ficaro further stated that Rock Island Boatworks was considering seeking approval to place a second gaming vessel in Decatur, Illinois on the Sangamon River. Mr. Ficaro stated that it was his opinion that the Act clearly granted authority to the Board to grant the request.

Mr. Thomas Moore, attorney for Greater Peoria Riverboat Corporation, appeared and requested the Board deny the requested interpretation. He stated that approval of the request which would allow JDJV to locate a second vessel in Peru, Illinois would effect GPRC's plans to introduce a larger vessel. Mr. Moore urged the Board to maintain the existing interpretation limiting the number of licenses to ten.

Reverend Tom Grey appeared on behalf of JoDaviess Taxpayer's Association. He urged the Board to deny the request. He stated that the Association considered the request of JDJV to locate their second vessel in Peru, Illinois a breach of promise; that JDJV should maximize their efforts on behalf of the citizens of JoDaviess County. He said that there was no anticipation ever expressed that ten licenses equated to twenty locations in Illinois. Mr. Grey further stated that it appeared that the Board was becoming the "cheerleader" for the industry.

Members of the Board asked clarifying questions of the presenters. Mr. Dennis Triggs, attorney for the City of East Peoria, appeared to clarify the content of the Intergovernmental agreement between the cities of East Peoria and Peoria. Reverend Grey suggested that the Board consider allowing an enterprise move their operation only at license renewal time.

Donna More, responding for staff, told the Board that it was the belief of staff that the statute did not contemplate owners operating vessels in two distinct geographical locations. She said that a reading of the entire Act would support the premise that an owner could have two vessels at the same location and that specific provisions of the Act more clearly support the staff position. She noted that the Act allowed a vessel to make intermittent stops from the home dock of the enterprise when authorized to do so by the Board.

Mr. Johnson moved that the interpretation of the Illinois Gaming Board with respect to the Riverboat Gambling Act is that the holder of an Owner's License is authorized to operate up to 1200 gaming positions from a single geographic place, which would be determined as the home dock of the licensee. Ms. Pyatt seconded the motion.

Under discussion of the motion, the Chairman noted the history of license considerations. He stated that he agreed with the motion and that he believed that the Act did not contemplate multiple docksites. Allowing an enterprise to utilize a temporary docksite had been approved in the past by the Board, but those actions should not be construed as approving more than one docksite. The Chairman Kunkle suggested JDJV and Rock Island seek remedy from the General Assembly. Mr. Johnson reviewed previous Board discussions on the matter as it related to the four hour cruise limitation. There being no further discussion, the Chairman called for the yeas and nays by oral roll call, to wit:

MR. JOHNSON: YES
MS. PYATT: YES
MR. VICKREY PRESENT
MR. CHAIRMAN: YES

The motion was approved 3-0-1.

The next order of business concerned a request from Contract Building Services to withdraw their application for a Supplier's License.

Mr. Johnson moved the Board grant leave for withdrawal. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

The next order of business concerned a disciplinary action.

Ms. Pyatt moved that the Complaint for Disciplinary Action, DC-93-2, against Greater Peoria Riverboat Corporation, Paul-Son Dice and Card, Inc., Dale Burklund, Jeffrey Goldstein, Robert Goldstein, Richard Goldstein and Arnold Millan be issued. (Ms. Pyatt noted the statutory and regulatory violations cited in the complaint.) Mr. Johnson seconded the motion.

Under discussion Ms. Pyatt stated that monetary fines were being sought in the proceeding as follows:

Greater Peoria Riverboat Corporation: \$20,000.00

Paul-Son Dice and Card, Inc.:	7,500.00
Dale Burklund:	1,000.00
Jeffrey Goldstein:	5,000.00
Robert Goldstein:	5,000.00
Richard Goldstein:	5,000.00
Arnold Millan:	5,000.00

The Chairman called for the yeas and nays by oral roll call, to wit:

MR. JOHNSON:	YES
MS. PYATT:	YES
MR. VICKREY:	YES
MR. CHAIRMAN:	YES

The motion was approved 4-0. The Chairman instructed the Administrator to issue the Complaint for Disciplinary Action, DC-93-2.

The next item of business concerned other business.

Mr. Johnson asked staff to study and report the impact of floods on the Mississippi River on casinos. Mr. Friedman reported that while all four licensees on the Mississippi were in operation, staff would examine the question.

Mr. Vickrey asked the Administrator to take all steps necessary to protect public safety during the floods. Mr. Friedman responded that the U.S. Coast Guard was the proper authority for that purpose. Mr. Vickrey asked that staff follow-up to make sure the public safety was assured.

Mr. Johnson asked questions about the staff analysis regarding insurance requirements for licensees. Mr. Hutchison reported that a review of each of the operators revealed that insurance coverages were either adequate or exceeded adequate coverage levels as required by Board rules.

Mr. Johnson requested staff poll the members of the Board to set a date for a Special Meeting during the third week of August to hear license applications. The Chairman so ordered the staff.

There being no further business to come before the Board, Mr. Johnson moved the Board stand adjourned. Without objection the Board adjourned at 12:30 P.M.

Respectfully submitted

James A. Nelson
Secretary of the Board

